



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

LINDA LINGLE
GOVERNOR

DARWIN L.D. CHING, DIRECTOR
COLLEEN Y. LaCLAIR, DEPUTY DIRECTOR
Phone: (808) 586-8844
Fax: (808) 586-9099

MR 2008 17

For Immediate Release: June 19, 2008

**HAWAII'S SEASONALLY ADJUSTED UNEMPLOYMENT RATE AT 3.5
PERCENT IN MAY**

Hawaii's unemployment rate 2.0 percentage points lower than U.S. rate.

HONOLULU- The Hawaii State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for May was 3.5 percent, an increase of 0.2 percentage point over April's rate of 3.3 percent. The over-the-month increase was expected, due to the effects of the recent layoffs in the transportation sector.

In comparison, the U.S. seasonally adjusted unemployment rate jumped 0.5 percentage point over-the-month, going from 5.0 percent in April to 5.5 percent in May. Since April 2002, Hawaii's seasonally adjusted unemployment rate has been lower than the national seasonally adjusted unemployment rate by a spread ranging from 1.6 to 2.5 percentage points. In May, Hawaii had a seasonally adjusted labor force of 663,350, comprising of 639,900 employed and 23,450 unemployed.

State of Hawaii Seasonally Adjusted Labor Force Data			
	<u>May 2008</u>	<u>Apr 2008</u>	<u>May 2007</u>
Labor Force	663,350	662,700	650,250
Employment	639,900	641,050	633,950
Unemployment	23,450	21,700	16,300

	MAY 2008	APR 2008	MAY 2007
STATE	3.5	3.3	2.5
HONOLULU#	3.1	3.0	2.3
HAWAII COUNTY#	4.7	4.3	3.1
KAUAI#	3.3	3.1	2.2
MAUI COUNTY#	3.5	3.4	2.1
Maui Island#	3.4	3.4	2.0
Molokai#	5.1	5.0	5.7
Lanai#	5.1	5.1	2.4
U. S.	5.5	5.0	4.5

non-seasonally adjusted

Industry Payroll Employment

In another measure of employment, total seasonally adjusted nonagricultural jobs grew over-the-month in May by 3,900 to 628,400. Job gains in the private sector were experienced in Leisure and Hospitality (+300) and Construction (+100) following declines in both industries from April. Job losses were noted in Trade, Transportation & Utilities (-200), partially due to another air carrier's sudden shutdown in April; Educational & Health Services; and Other Services (-100 each). State Government posted the largest growth primarily in State Education.

A year ago from May 2007, the seasonally adjusted job count grew by 3,800 or 0.6 percent. Over-the-year, the industries in the private sector exhibiting considerable job growth were comprised of Educational and Health Services (+1,800) and Construction (+700).

“It is a testament to our local economy that employers have been able to maintain our low unemployment rates over the course of several years,” said Darwin L.D. Ching, Director of Labor and Industrial Relations. “We are cautiously optimistic that we will be able to maintain our great employment numbers as the economy continues to moderate.”

Seasonally Adjusted Non-Ag. Jobs (State)			
SELECTED SERIES:	May-08	Apr-08	May-07*
NATURAL RESOURCES, MINING AND CONSTRUCTION	39,500	39,400	38,800
TRADE, TRANSPORTATION & UTILITIES	120,000	120,200	121,400
Wholesale Trade	18,500	18,500	18,400
Retail Trade	71,300	71,400	70,400
EDUCATIONAL AND HEALTH SERVICES	74,500	74,600	72,700
Educational Services	15,200	15,200	14,100
Health Care and Social Assistance	59,300	59,400	58,600
LEISURE & HOSPITALITY	109,300	109,000	110,700
Arts, Entertainment & Recreation	11,500	11,400	12,000
Accommodation & Food Services	97,800	97,600	98,700
OTHER SERVICES	27,000	27,100	26,300
GOVERNMENT	124,700	120,000	122,100
Federal Government	31,800	31,900	31,700
State Government	74,400	69,700	72,500
Local Government	18,500	18,400	17,900
TOTAL: STATE	628,000	624,100	624,200

❖ **Leisure and Hospitality (+300)**

Leisure and Hospitality posted a strong growth after experiencing a drop in April. Arts, Entertainment and Recreation Services rose by 100, shared among performing arts companies; and amusement and recreation industries. Accommodation and Food Services accounted for a 200 job increase in Food Services mainly in full-service restaurants.

Molokai Ranch's closure will be reflected in June as most of those jobs were located in the operation of its hotel.

❖ **Construction (+100)**

Construction improved slightly after two consecutive months of losses. The majority of the increase was in special trades contractors in building equipment contractors and building finishing contractors. As indicated last month, this industry remains viable with existing and new projects supported by private and government contracts. Over-the-year, construction grew by 700 jobs or 1.8 percent.

❖ **Educational and Health Services (-100)**

This sector registered a gain of 300 jobs last month prior to contracting by a minimal 100 jobs. Educational Services remained stable in private education. Health Care and Social Assistance constituted the entire drop, most of which were in social assistance in individual and family services.

❖ **Other Services (-100)**

This miscellaneous group decreased minimally in May partially in commercial and industrial machinery and equipment (except automotive and electronic) repair and maintenance; and in dry cleaning and laundry services.

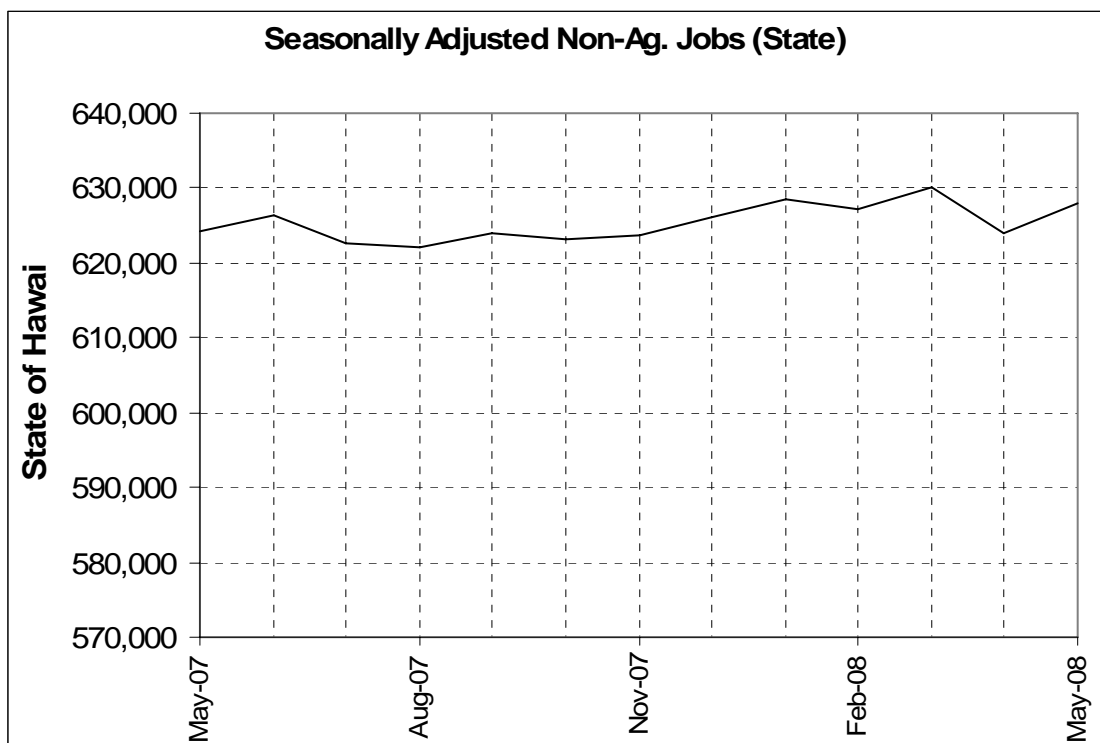
❖ **Trade, Transportation, & Utilities (-200)**

This major industrial group fell by a modest 200 jobs after a substantial decline in April. Wholesale Trade remained relatively unchanged. The increase in grocery and related product merchant wholesalers was countered by the decrease in jewelry, watch, precious stone and precious metal merchant wholesalers. Retail Trade recorded a 100 drop in jobs mostly in clothing stores. Transportation also fell by a minimal 100 jobs partially due to the shutdown of another air carrier in April, following a substantial drop last month. The increase in jobs from yet another Hawaii-based airline carrier helped minimize the reduction

in Transportation. The departure of a major cruise firm's second ship is expected to result in the loss of several hundred jobs in the coming months.

❖ **Government (+4,700)**

Government reported the largest job expansion in May. While Local Government recorded a gain of 100 jobs, Federal Government reported a decrease of 100 jobs. State Government composed the entire growth due to the Department of Education rehiring staff after returning from the intersession break as the public education continued its unified school schedule.



#####

For more information, contact:
 James P. Hardway
 Special Assistant to the Director
 Phone: (808) 586-8845
 Cell: (808) 282-7859
 Fax: (808) 586-9099
 Email: jhardway@hawaii.gov